VZCZCXRO1142 OO RUEHCI DE RUEHKT #0204/01 0290931 ZNY CCCCC ZZH O 290931Z JAN 07 FM AMEMBASSY KATHMANDU TO RUEHC/SECSTATE WASHDC IMMEDIATE 4672 INFO RUEHBJ/AMEMBASSY BEIJING PRIORITY 5317 RUEHLM/AMEMBASSY COLOMBO PRIORITY 5590 RUEHKA/AMEMBASSY DHAKA PRIORITY 0772 RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 3600 RUEHLO/AMEMBASSY LONDON PRIORITY 4946 RUEHNE/AMEMBASSY NEW DELHI PRIORITY 0898 RUEHCI/AMCONSUL KOLKATA PRIORITY 3069 RUEHGV/USMISSION GENEVA PRIORITY 1485 RUEKJCS/SECDEF WASHDC PRIORITY RUCNDT/USMISSION USUN NEW YORK PRIORITY 2379 RHEFDIA/DIA WASHDC PRIORITY RHMFISS/CDR USPACOM HONOLULU HI PRIORITY RUEAIIA/CIA WASHDC PRIORITY RHEHNSC/NSC WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 KATHMANDU 000204

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E.O. 12958: DECL: 01/29/2017 TAGS: <u>PTER PGOV PREL MARR IN NP</u>

SUBJECT: NEPAL: INDIAN AMBASSADOR POSITIVE ABOUT ARMS

MANAGEMENT

REF: KATHMANDU 165

Classified By: Ambassador James F. Moriarty. Reasons 1.4 (b/d).

Summary

11. (C) In a meeting with the Ambassador on January 26, Indian Ambassador Shiv Shankar Mukherjee expressed confidence that India could squeeze the Maoists and the Government of Nepal (GON) into doing the right thing regarding arms management. Mukherjee assured the Ambassador that India would do what it could to ensure the Maoists did not enter into an Interim Government until arms management was complete. Mukherjee expressed concern about the unrest in the Terai, and had been pushing the Prime Minister to take the initiative to solve the problem. Although initially reluctant to believe that a Maoist Deputy Prime Minister would be a problem, Mukherjee agreed to discuss the issue with the mainstream political parties.

Indian Ambassador Upbeat on Arms Management

12. (C) On January 26, Indian Ambassador Shiv Shankar Mukherjee told the Ambassador he thought India could squeeze the Maoists and the Government of Nepal (GON) into doing the right thing on arms management. Mukherjee stated that the UN Secretary General's Personal Representative Ian Martin had

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promised to give the Government of India an accurate readout on the number and type of weapons the Maoists put into containers, and whether they were from the GON lists.

Mukherjee said he wanted to wait until around February 7 and see how the separation of the Maoists from their weapons was progressing before taking action. (Note: This is three weeks after the cantonment exercise began. End note.) Mukherjee suspected that, at that point, the Maoists would be applying pressure to the GON to allow them into the Interim Government. Mukherjee said that, at that time, India would be prepared to press right back and ensure that the GON waited until arms management was complete before permitting the Maoists into an interim government. Mukherjee said that his government was prepared to use whatever leverage it could

muster to force the Maoists to comply with their commitments on arms management.

## Concern About Terai Issue

13. (C) Ambassador Mukherjee told the Ambassador he was concerned about the current unrest in the Terai. Mukherjee indicated he had asked New Delhi to close down the border between India and Nepal as tightly as possible; he could not rule out the possibility that Hindu fundamentalists, including from India, were colluding with Nepali royalists to fan the flames in the Terai. Mukherjee said he had been pushing Prime Minister Koirala to make a strong public statement about the issue and to meet with senior Madhesi leaders. Mukherjee acknowledged that he thought the PM had agreed to do this, but it had not happened yet.

## Maoist Deputy PM Would be a Problem

14. (C) Mukherjee was not initially concerned about the prospect of a Maoist Deputy Prime Minister, stating that the NC would quickly pick a new PM if the current PM were to die. The Ambassador stressed to Mukherjee that the Interim Constitution was clear about the Deputy PM becoming PM until a replacement was chosen, presumably through consensus, by the Interim Government. Since the Maoists would have a veto over any consensus-based decision in the Interim Government, there would be no incentive for them to allow another party to fill the PM position rapidly. The Ambassador also stressed to Mukherjee the nearly despotic powers given to the PM under the Interim Constitution. By the end of the conversation, Mukherjee was concerned, and implied that he

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would bring the issue up more urgently with the mainstream political parties.

## Comment

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influence over the Maoists and that the UN will take a position consistent with India's interest in separating the Maoists from their weapons. Mukherjee's most recent conversation with Ian Martin was more positive than the Ambassador's meeting with the UN envoy on January 22 (reftel). We are detecting a toughening of the UN's stance on arms management. Mukherjee's comments track with what the DATT heard from General Wilhemsen, Martin's Military Advisor; i.e., that the UN expected that it would get 3,000 of the 3,500 weapons that the Maoists had captured from GON security forces. We will continue to press the GON not to allow the Maoists into the Interim Government until arms management is complete, and India will do the same. This, combined with pressure on the Maoists from the Indians, could make the arms management the credible process it must be if the peace process and Nepal's democratic transition are to have a realistic chance of success. MORIARTY